



NEWPORT BEACH

City Council Staff Report

November 30, 2021
Agenda Item No. 17

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Approval and Award of Maintenance/Repair Services Agreement
with Merchants Landscape Services, Inc. for Landscape
Maintenance of Parks and Facilities

ABSTRACT:

The City of Newport Beach (City) utilizes contract services for the landscape maintenance of its 72 parks and facilities, as well as select natural mitigation areas. In preparation for the current agreement expiration date on December 31, 2021, the Public Works Department solicited formal bids for these landscape maintenance and repair services. Staff recommends that the City Council award a five-year agreement for these services to the lowest responsible bidder, Merchants Landscape Services, Inc. (Merchants).

RECOMMENDATION:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
- b) Approve a one-year Maintenance/Repair Services Agreement with four automatic one-year extensions with Merchants for the Landscape Maintenance of Parks and Facilities, at a base cost of \$1,950,000 per year with an allowance of \$600,000 for additional as-needed services; and
- c) Authorize the Mayor and City Clerk to execute the agreement.

DISCUSSION:

The Public Works Department administers two major agreements for landscape maintenance. On September 22, 2020, the City Council approved an agreement for citywide medians and roadside areas, and Newport Coast facilities and landscaping (Medians and Roadsides Agreement). The second agreement is for the citywide landscape maintenance of parks and facilities (Parks and Facilities Agreement).

The Parks and Facilities Agreement encompasses 257 acres of landscape with approximately 43 acres of sports fields over 72 sites throughout the city. The sites maintained range from large, active sports parks, such as Bonita Canyon Sports Park, to smaller, pocket parks, such as Galaxy View Park. Additionally, the agreement covers landscaping of facilities, such as at the Newport Beach Police Department and at various fire stations. Lastly, maintenance of certain natural mitigation sites, such as those located in Big Canyon Park, are included in this agreement.

The current Parks and Facilities Agreement with Mariposa Landscapes was executed on January 1, 2016 for a total of three years and was extended three times for additional automatic one-year terms. The annual base maintenance cost in 2016 was \$1,677,018 and the annual not-to-exceed amount was \$1,975,000, which included an allowance for additional as-needed services. Throughout the agreement, the contract was amended twice. The first amendment provided a \$400,000 allowance for additional landscape enhancement work and street tree planting. The second amendment provided for the maintenance of newly constructed Marina Park and a number of sites on the Peninsula and the Westcliff areas that were formerly maintained by City staff. Subsequently, the current not-to-exceed annual amount was adjusted to approximately \$2,640,000 per year.

In anticipation of the expiration of the current agreement, the Public Works Department solicited formal bids on October 6, 2021 for the landscape maintenance of Parks and Facilities. The bid specifications required proposers to provide costs and an associated workplan for the requested areas of maintenance and three references of projects performed for a local, coastal, municipality valued at more than \$1 million annually.

Included in the workplan and bid specifications is a minimum labor requirement, which serves to ensure that the selected contractor has sufficient personnel to adequately perform the required work on a daily basis, as outlined in the contract. The 33 personnel required in this agreement is the same as the current agreement and its associated amendments, when such sites as Marina Park, Miramar and M-Street Parks, Big Canyon Phase I Mitigation Area, and the Corona del Mar business district tree wells were added. The new contract also includes two sites that are soon to be renovated through capital improvement projects, which are the Superior Parking Lot and Sunset Ridge Park Pedestrian Bridge and the Lido Fire Station. These additions will result in an increase of approximately four acres of additional maintained landscaping. An important revision to the specifications for this agreement includes an increase in weekend park site trash collection and litter picking. Previously, the agreement required services be provided six days per week Memorial Day to Labor Day and five days per week the rest of the year. Now, the agreement requires seven days per week in the summer and six days per week the rest of the year.

The Public Works Department issued the request for bids for Landscape Maintenance of Parks and Facilities through the City's electronic bidding portal. 209 vendors were notified, requiring proposers to supply qualifications, references, and base bid and on-call costs for landscape maintenance services. At 2 p.m. on October 21, 2021, the City Clerk opened and read the bids for this project:

	<u>BIDDER</u>	<u>TOTAL BID AMOUNT</u>
Low	Merchants Landscape Services, Inc.	\$1,950,000.00
2nd	Mariposa Landscapes, Inc.	\$2,254,824.00
3rd	Parkwood Landscape Maintenance, Inc.	\$2,312,337.11
4th	BrightView Landscape Services, Inc.	\$2,645,975.76

The City received four bids for these services. The low bidder, Merchants, possesses a California State Contractor's License Classification "C-27", as required by the project specifications. Additionally, Merchants employs personnel with landscape-related certifications required in the minimum qualifications, including Certified Arborists, Pest Control Advisors and Technicians, and Irrigation Auditors. A review of references for Merchants shows satisfactory provision of similar services for other local, coastal municipalities. Based upon an interview with Merchants management, their work plan, including necessary staffing and equipment, shows an understanding of what is required to successfully carry out the specifications in the agreement.

Staff recommends that the City Council award a one-year agreement with four automatic one-year extensions with Merchants at a total not-to-exceed amount of \$13,150,000 to provide these landscaping services. This cost includes five years of the base landscape maintenance services with annual increases for CPI, as well as approximately \$600,000 per year of on-call contract allowance, which is the approximate amount Public Works currently spends for on-call landscape maintenance work. The various services provided by and expenditures for on-call work include: \$150,000 in irrigation repairs (parts + markup), \$400,000 in landscape enhancements (demo, new plants, and mulch), \$50,000 in street tree planting, and \$50,000 in services for other City departments and Public Works divisions, including emergency services. Expected contract costs are shown in the table below, with a starting annual cost of \$2,550,000 per year.

Annual Fixed Costs Amounts	Year	NTE 2% CPI
\$1,950,000.00	1	
\$1,989,000.00	2	2%
\$2,028,780.00	3	2%
\$2,069,355.60	4	2%
\$2,110,742.71	5	2%
\$3,000,000.00	On-Call	\$600,000/year
\$13,147,878.31	Total	
\$13,150,000.00	TOTAL (Rounded)	

FISCAL IMPACT:

The adopted budget includes sufficient funding for this contract. It will be expensed to the Contract Services Parks/Facilities account (0108031-811020), Maintenance Irrigation Repair account (0108031-851038), Park Renovations account (0108031-911008), and Trees Contract Services account (0108032-811017) in the Public Works Department.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENT:

Attachment A – Maintenance/Repair Services Agreement for Landscape Services for
Parks and Facilities